



**Energy Working Group  
of the  
U.S.-Russia Bilateral Presidential Commission**

**PROTOCOL OF INTENT  
AMONG THE U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT AND THE RUSSIAN  
ENERGY AGENCY ON COOPERATION IN THE DEVELOPMENT OF SMART CITIES**

Within the structure of the Energy Working Group of the U.S.-Russia Bilateral Presidential Commission, the United States Agency for International Development (USAID) and the Russian Energy Agency (REA), collectively known as the Participants, and each individually, a Participant, seek to work jointly and in collaboration with other partners to encourage sustainable urban development.

1. The Participants recognize that the United States and the Russian Federation share common energy efficiency goals and objectives as world leaders in energy production and consumption. The Participants also recognize the transformative potential of intelligent urban planning and technology development and deployment on the quality of life, productivity, employment, security, and environmental welfare of our citizens.
2. The Participants agree that the concept of smart cities addresses intelligent urban planning and encompasses elements of information technology and communication, optimization of energy (electricity and heat) and water systems, and energy efficient building design and operation.
3. The Participants recognize the potential to accelerate smart city development through the marriage of Russian and American information and communication technologies with municipal energy production and consumption, and therefore resolve to work jointly and in collaboration with other partners, as may be further arranged, to support the development of smart cities through the following potential areas of cooperation.
4. The Participants agree that the collaboration outlined in this Protocol aims to leverage their collective expertise and knowledge in order to:
  - Develop solutions to barriers to sustainable urban development;
  - Strengthen the capacity of urban planners and managers to invest in and deploy smart electric, heat, water and building technologies;
  - Expand on the policy, regulatory, and commercial cooperation commenced under the Russian/American Smart Grid Partnership Initiative to optimize energy and water networks and encourage consumer engagement; and
  - Encourage rehabilitation of existing building and construction of new building stock characterized by high levels of energy efficiency and the capability of communicating with electricity and heat networks.

5. The Participants acknowledge mutual interest in the following areas:

Intelligent Energy Systems

- Energy Efficient Combined Heat and Power Plants
- Electric Power, Heat and Water Network Automation
- Smart Regulations: Time-of-Use Tariffs, Dynamic Pricing, Demand Response
- Urban Grid Network Architecture
- Electric, Heat & Water Metering Topology and Communication Networks
- Customer Information Systems for Electric, Heat & Water Distribution Networks
- Loss Reduction for Electric, Heat & Water Networks
- Emergency Preparedness and Disaster Response
- Consumer Education

Energy Efficient Buildings

- Energy Efficient Building Codes and Standards
- Energy Audits
- Model Energy Savings Performance Contracts (ESPC)
- Public Sector Procurement Reform to Enable the Use of ESPC
- Building Automation
- Energy Building Manager Training Programs
- Credit Facilities for Energy Efficiency Projects
- Energy Efficiency Financing Training

6. The Participants agree to explore activities that will be goal oriented and may include, but not be limited to:


- Exchange of information and experiential data on a regular basis with the goal of supporting mutually agreed upon deliverables that may take the form of new policies, procedures, codes and standards, energy audits, energy efficiency projects and other projects, as mutually agreed to by the Smart City Partners;
- Formal training program for city managers, utility executives, utility regulators, banking and financial officials, building and real estate developers, condominium associations, energy managers, etc., to support development of Smart City Partnership deliverables;
- Internships in municipal administrations, electric, water and heat utilities, and energy service companies in further support of the Smart City Partnership deliverables;
- Technical assistance to complement the exchange of best practices in support of mutually agreed to deliverables; and
- Participation in industry conferences to disseminate to a broad audience of policy makers, regulators and municipal authorities the accomplishments of the Smart City Partnership.



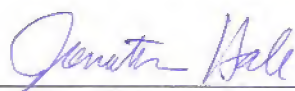


7. Each Participant is to be fully responsible for its expenses incurred while undertaking activities in connection with the programs described herein, and all such expenses and activities are subject to the availability of funds to each Participant.
8. Nothing in the Protocol of Intent is intended to be constructed as superseding or interfering in any way with any contracts or any other agreements entered into by the Participants, either prior to or subsequent to the signing of this Protocol on Intent.
9. The Participants acknowledge that this Protocol of Intent does not constitute either an expenditure or an obligation of funds, nor does it constitute a legally binding commitment by any Participant or create any rights in any third party.
10. Additions and/or modifications may be introduced into or appended to this Protocol of Intent as needed, upon the written mutual consent of the Participants.
11. Activities under this Protocol of Intent are to commence upon the date of signature and continue for three (3) years and may be automatically extended for three (3) additional years unless a Participant notifies the other Participant in writing of its desire to discontinue this Protocol of Intent. The Participants may discontinue cooperation under this Protocol of Intent at any time, and will endeavor to provide the other Participant with three (3) months written notice before such discontinuation.
12. This Protocol is not an international agreement and will not create any right or responsibilities under international law.

**For the Russian Federation**

  
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Timur Ivanov  
Russian Energy Agency

**For the United States**

  
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Jonathan Hale  
United States Agency for International Development